Oakland. City Manager.

Housing and community development transition plan. 1975.

NGW

CITY OF OAKLAND

CITY HALL • 14TH AND WASHINGTON STREETS • OAKLAND, CALIFORNIA 94612

Office of the City Manager
Cecil S. Riley
City Manager

January 21, 1975

HONORABLE CITY COUNCIL
Oakland, California

Subject: Community Development Transition Plan

Mr. Mayor and Members of the City Council:

Attached is a draft of a plan of transition for the organizational response to the new Housing and Community Development Act of 1974. This draft is the result of a considerable amount of careful and detailed discussion between your consultant, Mr. Floyd Hyde, the City Manager and the Executive Director of the Oakland Redevelopment Agency.

While there are a few minor points which need to be corrected, and while the document as a whole would benefit from a non-substantive, editorial re-write, the plan of transition as set forth reflects the consensus of the team. It is presented to you in its present form in the hope that you will be able to approve the draft plan conceptually this week, in order to expedite the work of all elements of City and Agency staff.

Respectfully submitted,

J. E. AUSTIN
Assistant City Manager

Attachment

10

TEAM REPORT

HOUSING AND COMMUNITY DEVELOPMENT TRANSITION

INTRODUCTION

The team assigned by the Mayor and City Council to come up with a plan for centralizing community development under the City Manager is pleased to report to the Mayor and Council that substantial progress has been made toward the accomplishment of this assignment. This report presents for the Mayor's and Council's consideration a transition plan to bring related housing and community development elements of the City into an Office of Community Development on or about July 1, 1976. The report is the product of a number of work sessions and considerable discussion and exchange of ideas among the team members. Moreover, none of this work was done at the expense of timely preparation of the City's preliminary application for community development funds. Copies of the preliminary application have already been submitted for the Mayor's and Council's review. Hopefully then the transition plan presented in this report provides the framework for the type of housing and community development program the Mayor and Council are seeking for Oakland.

A. OVERVIEW

1. Transitional Plan

The overall context for the team's proposed transition plan is provided in the Mayor's and City Council's policy goal on community development. The City Council has now adopted a definitive policy goal to the effect that full responsibility for the community development program shall be centralized within City Government within a reasonable time period. Implementation of this goal calls for a transition process which facilitates community development centralization in a manner that broadens and strengthens the capacity of City Government to respond to housing, physical, and social needs, and the economic growth, of this multi-ethnic central city. We think that our plan amply provides for such a transition process. Following is an overview of the key components of our plan.

a) designation of the Redevelopment Agency as the primary transitional entity for organizing the major program elements of the to be established Office of Community Development. As a transitional structure, the Agency would, under contract to the City, work within the close policy direction of the Mayor and City Council and the overall executive responsibilities of the City Manager.

The Redevelopment Agency's primary role would be to perform the necessary tasks for bringing the related housing and community development elements of the City into an Office of Community Development under the City Manager by July 1, 1976. The City contract for transitional activities to be performed by the Agency would make good use of the experience and skills the Agency has developed over the years under categorical funding. It would further expand the Agency's staff capabilities and provide an effective lead-in to the future role of that staff as the central administrative unit of the Office of Community Development when the office becomes operational.

Program elements to be brought under the transitional structure that would be administered by the Redevelopment Agency include: redevelopment, Model Cities, program development and coordination, relocation, economic development, and a new City housing office.

b) the City Manager will be responsible for facilitating transfer and integration of the community development structure into the overall financial and management procedures of the City Government. During transition, the City Manager will be planning for overall centralization of the existing financial, management analysis, and evaluation and monitoring functions of the agencies to be brought under the Office of Community Development. This would involve staging the gradual transfer and merger of staff and functions from the fiscal, management analysis, and evaluation and monitoring units of these agencies into the Office of Finance and the Office of Budget and Management Services. This would assure that the management procedures of the to be established Office of Community Development are in conformance with the overall management procedures of the City Government.

c) during transition, it will also be the responsibility of the City Manager to make certain that close and productive liaison is maintained between the staffs of several City departments and the staff of the Redevelopment Agency. Those City departments requiring the closest liaison with community development program activities to be administered by the Agency include: the Office of Public Works, the Office of Parks and Recreation, the City Planning Department, and Building and Housing. The Agency would also have a coordinative role with the City's manpower program.

d) the contract for the Redevelopment Agency's transitional activities would further provide for close and continuing

- liaison between the Redevelopment Agency and other independent City agencies, including, but not limited to, the Oakland Housing Authority and the Community Action Agency. Memorandae of understanding would be executed between the Redevelopment Agency and these other agencies to strengthen this continuing liaison and to provide a basis for evaluating the feasibility of including the program elements of these two agencies into an Office of Community Development.

Implementation of these key components of our transition plan would assure that the community development structure created during transition is ready for centralization under the City Manager on July 1, 1976. Until the Office of Community Development is operative in July 1976, it will be the responsibility of the City Manager and the Executive Director of the Redevelopment Agency to organize and develop appropriate staff capabilities and processes for the community development program.

They would be assisted in these organizational responsibilities by the consultant work of McManis Associates. Phase II of the scheduled work to be performed by McManis Associates would be redrafted to strengthen the consultant's input into the mass of detailed work that would have to be accomplished during the transition period between now and July 1976. This redrafting of the Phase II tasks would include provision that the consultant analyze and make specific recommendations on the long-term organizational and staffing changes required in City Government for centralizing the transitional structure that would be administered by the Redevelopment Agency.

2. Actions Requested of Council

Action on the above activities can begin as soon as authorization is received from the Mayor and City Council. This authorization could take the form of a Council resolution and a subsequent ordinance which prescribes the appropriate form of administrative organization for the Redevelopment Agency to undertake major transitional activities. The resolution would provide that the Redevelopment Agency immediately assume the program responsibilities as outlined in Section B1(a).

The ordinance would provide the ultimate legal basis for implementing the Mayor's and Council's directives on community development organization. Through it the Council would authorize that the City Manager have responsibility for overall administration, and for monitoring and evaluation, of transitional activities and would authorize the City Manager to execute a contract with the Redevelopment Agency whereby the Redevelopment Agency would undertake those transitional responsibilities and program elements, as set forth in this plan, to give it the

role as the central administrative unit of the Office of Community Development. It is estimated that approximately 60 days will be required to develop the ordinance and contract to accomplish the above intent.

Under the Agency's contract with the City, the Agency would provide the Mayor and Council with quarterly reports and any requested information and special assignments. These reports and assignments would have adequate facts and data for sound policy decisions during each phase of the transition process. The Council ordinance would also specify objectives for transition and a target date for completing the phasing of the transitional structure into an Office of Community Development. The target date recommended in this report is July 1, 1976.

3. Formation of Community Development Commission

In addition to establishing an effective administrative and program structure for community development, the Mayor and Council will also need to give consideration to the utilization of a community development commission to assist them in their decision-making capacity. This involves a number of complex legal questions, which will require further investigation by the City Attorney and the legal counsel of the Redevelopment Agency before specific recommendations can be prepared for the Mayor's and Council's consideration.

Below is a more detailed explanation and clarification of the major contents of our transitional plan.

B. DETAILS OF PROPOSED TRANSITIONAL ACTIVITIES

1. Transitional Role of the Redevelopment Agency

Under contract with the City, the Redevelopment Agency would be responsible for setting up and administering a transitional structure that integrates the various housing and community development elements of the City into a broad, unified organizational format and prepares the staff and functions of this structure for full centralization under the administration of the City Government by July 1976. In addition, it would plan, develop, administer, and implement for 1975-76 a comprehensive set of action programs for improving the housing, physical, social, and economic environment of the City's neighborhoods.

To enable the Redevelopment Agency to accomplish these tasks, the contract would cover those approved redevelopment projects

and related activities being performed by the Agency. It would also provide for several new areas of administrative and program responsibility to be performed by the Agency. Following is a description of the areas of responsibility to be brought directly under the transitional structure that would be administered by the Redevelopment Agency.

a) Program Elements

Major program elements to be brought directly under the administration of the Executive Director of the Redevelopment Agency for carrying out transitional activities include:

(i) redevelopment activities authorized by State and Federal laws

(ii) Model Cities

(iii) program development and coordination

(iv) relocation

(v) Housing Office, with the City's rehabilitation programs and housing counselling program included among the major activities of the Office

(vi) economic development programs, as related to community development, to stimulate and promote employment opportunities and the overall commercial and industrial growth of the City

b) New Housing Office

The Housing Office, cited above, will be a major new area of program responsibility for the Redevelopment Agency as a transitional structure. Responsibility for preparing the City's application for a certified housing counselling program has been initially assigned to the Housing Coordinator in the Office of the City Manager. It is our intention to recommend the creation of a Housing Office within the transitional structure that would be administered by the Redevelopment Agency. If this transition plan is approved by the Council, the Redevelopment Agency would take immediate steps to organize the Office so that it is ready for operation by July 1, 1975. The full range of housing activities and services that would be provided by the Office include:

(i) deliver a wide range of counselling services related to housing

(ii) provide informational services on all aspects of housing, particularly with regard to the opportunities which will be provided under the more flexible Section 8 of the 1974 Act

(iii) provide financial guidance and assistance for housing rehabilitation and preventive maintenance of homes and grounds

(iv) perform centralized relocation activities

(v) continue to act as the final appeal authority for housing relocation activities

(vi) inform Oakland residents of fair housing laws and their rights under these laws through an ongoing, promotional, public information campaign

(vii) support regional (ABAG) and County-wide (Metro Housing Center) efforts in the fair housing field

(viii) examine the possibility of cooperation with Operation Sentinel in the fair housing enforcement effort or of establishing an enforcement function within the Housing Office

(ix) examine the possibility of establishing additional City requirements for business and professional license applications and renewals to combat discriminatory conduct in housing-related businesses

(x) study need and possible benefits or drawbacks to new City ordinances for licensing apartments and requiring reports by landlords as one means of reducing discrimination in rental or leasing practices

(xi) examine the feasibility of a municipal mortgage lending corporation to make low-interest loans available for home improvements in Oakland

(xii) encourage and assist other community groups (similar to the Oakland Neighborhood Housing Services Program) which will make loans available for home improvements in certain areas in Oakland

(xiii) give further study to a mortgage insurance corporation to reduce lenders' risk of defaults on loans

(xiv) implement those above stated programs found to be feasible and authorized by the City Council

c) Consolidation of Model Cities

Another of the chief new assignments that will be given to the Redevelopment Agency during the next several months is consolidation of Model Cities into the community development structure. This assignment will involve the Agency undertaking the following tasks:

(i) absorption of all ongoing functions of Model Cities and the continuation of those functions found appropriate to community development

(ii) the task of closing the separate funds and accounts now maintained by the staff of Model Cities

(iii) preparation of the final evaluation reports required by the U. S. Department of Housing and Urban Development on all programs and projects where evaluations have not been prepared

(iv) developing a records retention and disposition program to preserve those records of historical value relating to the Model Cities experiment in Oakland

(v) phasing out, as soon as feasible and practical, those administrative and planning functions which will not be of value in the proposed Office of Community Development

(vi) appropriate disposition of all accountable assets or personal property in the custody of the Model Cities office

d) Fiscal Management Unit

It is important that the community development structure have sufficient fiscal capacity to achieve effective integration among the various housing and community development program elements. Thus a fiscal unit for the management of community development program funds will be allocated to the Office of Community Development and, during transition, to the Redevelopment Agency.

e) Application Preparation

A preliminary application for community development funds for 1975-76 has already been submitted to the Mayor and Council for their review. The staffs of the City Manager and the Executive Director of the Redevelopment Agency will make the necessary adjustments and refinements in this ap-

plication for obtaining final approval from the Mayor and City Council. Preparation of the subsequent application will be the responsibility of the transitional structure to be administered by the Redevelopment Agency. This responsibility would be carried out in coordination with staff from appropriately related City departments.

2. Financial and Management Centralization

The City Manager will facilitate the transfer and centralization of existing financial and management analysis functions into City Government. During transition he will plan for the gradual phasing of all finance functions, except those necessary for the Office of Community Development to maintain its fiscal requirements, into the Office of Finance. Those functions to be centralized into the Office of Finance will include the separate finance operations (except as provided above) of the Redevelopment Agency and the Community Action Agency. The specific functions and appropriate staff to be centralized and merged include those concerned with accounting, revenue collections, payroll operations, and fiscal reporting. Similarly, the City Manager will merge and centralize into the Office of Budget and Management Services all functions related to budget management, program and project monitoring and evaluation, management and systems analysis, and electronic data processing services.

3. Liaison with City Departments

The program activities of the community development transitional structure will require close and productive liaison with related program activities of other City departments. It will be the responsibility of the City Manager to assign personnel to the transitional community development structure and to make certain that this existing liaison between staffs of related City departments and the staff of the Redevelopment Agency is maintained. Those City departments requiring the closest liaison with community development program activities include:

a) Office of Public Works

b) Office of Parks and Recreation

c) City Planning Department

d) Building and Housing

The transitional structure will also have a coordinative role with the City's manpower program so as to help significantly reduce the City's unemployment rate by matching housing rehabilitation and construction programs with the labor resources made available through the manpower program.

4. Coordination with Other City Agencies

The City contract for community development transitional activities with the Redevelopment Agency will also provide for continuing liaison between the Redevelopment Agency and other independent offices concerned with the effect of the community development legislation. These may include, but will not necessarily be limited to, the following:

a) Oakland Housing Authority

b) Oakland Community Action Agency

By maintaining effective coordination with these two units of local government the City can realize the benefits of combining like services and functions and eliminating any duplicating, conflicting, or unessential programs and projects as they have a bearing upon an effective and efficient community development program. Dependent upon the evaluation findings during transition on the effectiveness of this coordinative arrangement, it may be appropriate to consider these two agencies for inclusion in the community development structure in whole or in part.

5. Comprehensive Action Programs for 1975-76

To assure solid citizen involvement in and support for the City's community development effort, it is crucial that a comprehensive set of action programs be implemented for the 1975-76 program year. The objectives of these programs should be realistic and attainable. At the same time, they should be strong and effective enough to prompt a developmental thrust for economic growth, social revitalization, and citizen participation among the City's communities.

An attempt to provide these types of programs has been made in the preliminary application that has been submitted for review by the Mayor and the Council. Successful execution of the programs over the coming program year would assure concrete progress by the City toward major community development goals: namely, to re-establish the pre-eminence of Oakland as a regional center of economic, transportation, and social activity in the Bay Area; to increase recognition of the home as the largest lifetime investment of most low- and moderate-income families, and to capitalize on that investment by promoting a rate of appreciation of that housing comparable to the regional rate; as well as concrete progress toward other broad community development goals.

6. Formation of Community Development Commission

As indicated earlier, the question of forming an appropriate community development commission to assist the Council in its decision-making capacity is a complex one which will require further investigation by the City Attorney and the legal counsel of the Redevelopment Agency before specific recommendations can be submitted to the Mayor and City Council.

The first alternative is a community development commission authorized under State Law. This commission would merge the existing autonomous boards of the Redevelopment Agency and the Housing Authority into one entity as well as assume initial decision responsibilities in other areas of the community development program. The advantage of this type of commission is that it can consolidate the day-to-day implementation of a community development program within one commission which would be responsible for carrying out its activities in accordance with the programs and policies set by the City Council.

The second alternative is to authorize an advisory commission. It must be assumed that even with an advisory commission, the Council would wish to consolidate the individual decision-making boards within the City responsible for community development activities. Otherwise, the creation of such a commission would do no more than add another layer of government to effectively respond to community needs.

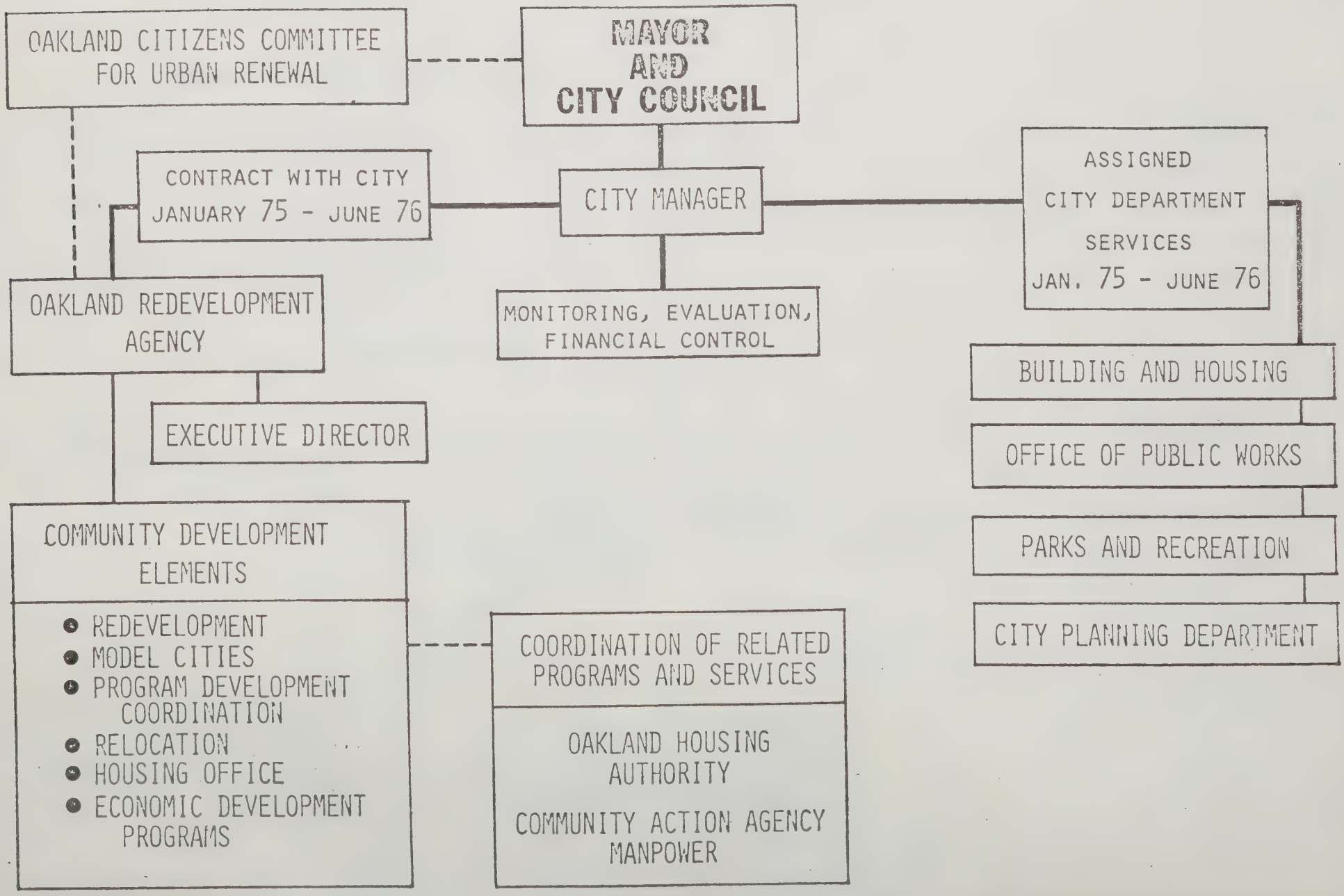
Summary

It is the mutual consensus of the team members that the housing and community development program presents unprecedented opportunities and challenges for City Government to respond to the total needs of Oakland's communities and neighborhoods. Each of us is certain of the City's capabilities to fully meet those opportunities and challenges by undertaking comprehensive and productive action programs for the coming program year and by having a viable and effective Office of Community Development in full operation by July 1976. We think the basis for meeting these opportunities and challenges is provided in this transition plan we are jointly submitting for your review, comments, and approval.

ATTACHMENTS (CHARTS 1 and 2) TO FOLLOW

OFFICE OF COMMUNITY DEVELOPMENT

JANUARY 75 - JUNE 76



OFFICE OF COMMUNITY DEVELOPMENT

JULY 1, 1976